

"When we had our Farms for the Future meetings it was so nice to be here at home discussing our future plans. It was also nice for the people on our team to come to our home, our family, our land, because it allowed them to share our vision."

**Owners Carol and Bill Hegstrom,
Roaring Acres Farm, Brooks**

"We had the "Eureka" moment that Mort (team member) talked about the minute we saw the financial analysis showing whether a beef operation would be profitable or not."

**Owners Dave and Vicki Barker,
Barker Farm, Inc., Leeds**

"This is the first team I've served on where the farmer ran the show by taking the lead in such a clear way. Everyone found a role to play and worked around the farmer's schedule."

**Team member Judy Powell
regarding Maple Lane Farm,
Charleston**

To obtain more information and to request application forms:

**Maine Department of Agriculture,
Food and Rural Resources
Farms for the Future Program**

Division of Market and
Production Development
28 State House Station
Augusta, ME 04333-0028

207-287-3491

getrealmaine@maine.gov

Applications are also available online:

www.maine.gov/agriculture/mpd/



In 2003, Maine's citizens approved a \$2 million bond for the Farms for the Future Program. These funds are currently matched by \$200,000 from Coastal Enterprises, Inc., which administers the program for the Maine Department of Agriculture.

A Grant Program for Maine Farmers

Help for farmers...

- Planning a new farm enterprise
- Making more efficient use of land, labor and farm resources
- Accessing capital to improve an existing or new farm enterprise
- Planning for the future
- Preserving farmland

What is the Farms for the Future program?

The Maine Farms for the Future program is a two-phase business assistance program that helps Maine farmers plan for the future of their agricultural enterprise.

Who is eligible?

Farmers are eligible if they...

- 1) ***Own and operate five or more acres of productive farmland***
- 2) ***Have an idea for change that will increase the long-term economic viability of their farm***

How does it work?

In the first phase, **Business Planning**, farmers receive a package of services (worth up to \$10,000) to develop a detailed business plan with a team of skilled professionals. Farmers determine the membership of their farm's planning team. *Applications are accepted once a year in late summer. Most of the research and writing of the business plan takes place during the fall and winter months.*

In the second phase, **Implementation Grants**, farmers who have completed business plans during Phase 1 are eligible to apply for a competitive cash grant to implement the changes identified in their business plans. *Applications are accepted twice a year, in the spring and fall.*

Why develop a business plan?

Many farmers recognize the need to improve their farm operations, transfer the farm to the next generation, or start a new enterprise.

A good business plan is farm-specific. It describes everything from the number of employees and types of equipment, to the farm's annual operating costs and profits. It is a way to analyze when to make changes that may improve the farm's bottom-line and farmer's job satisfaction.

Many banks and commercial lenders require farm owners to submit a business plan as part of a loan application.

Program Details

Phase 1: Business Planning

The package of services farmers receive includes these types of activities:

- Consulting with other farmers who have made similar changes on their farm
- Taking business planning classes
- Consulting with specialists from the University of Maine Cooperative Extension and Small Business Development Centers
- Consulting with market researchers
- Working with accountants and financial advisors to develop financial records and projections

Phase 2: Implementation Grants

Farmers who are awarded a Phase 2 cash grant receive twenty-five percent of the cost of implementing the changes identified in the business plan. Grants are limited to \$25,000. The remaining seventy-five percent of the cost may include cash, low-interest loans, other grants, and in-kind services provided by the farmer.

Farmers who accept the Phase 2 grant are required to sign an agreement stating that they will keep the farm in production for five years. This **5-year Non-Development Agreement** can be bought back at any time by repaying the amount of the grant.